

Sally Anne Kay  
610 Sandburg Place  
Newark, DE 19702  
January 25, 1999

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FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL

Ms. Retha Dixon, Docket Manager  
Office of General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

Dear Ms. Dixon:

This corrected complaint is in response to your letter dated January 14, 1999 and received January 20, 1999.

I am a former volunteer in West Virginia Republican State Executive Committee Headquarters, Charleston, WV. When I returned to Charleston this past Christmas, I noticed in the Sunday newspaper that the State Party was back in debt.

Due to the lack of built-in oversight (of top party officials by committee members in state party rules), past history is starting to repeat itself. To avoid any future Federal IRS tax liens, etc., I wish to report intentional violations of FEC rules. There are several more violations. Only two are listed:

1. Co-mingling Funds - August, 1998.

Treasurer Kent Hall tells Executive Director Betty White (with me present-near speakerphone, listening) over speakerphone on our end, to mail a check (approx. \$2,000- less than, I far as I can remember) to Victory '98 PAC. He instructed Ms. White that it be made a loan. Ms. White asked him about giving them the money (to stay in compliance). He still wanted the money loaned to them.

Victory '98 needed the money to pay a Harrisburg, PA printer of fundraiser invitations and a direct mail firm. I believe the single check was mailed to the Morgantown, WV area. The check was not made out to Victory '98, since they had not opened a bank account and had not registered with the

Secretary of State's office-WV at the time. The invitations were for a Victory '98 fundraiser that was held near the first West Virginia University home football game in the Morgantown, WV area. Victory '98 Treasurer - Kent Hall, and Kris Warner - Chairman.

2. Homepage on the Internet (unreported advertising) -  
Spring of 1998

Apparently, this web site was established in the Spring of 1998 by Chairman Tyson. Through Mark Coyle and Bob Gould, political consultants, they had set up the homepage and they maintained it, according to Chairman Tyson. Both are good friends of Chairman Tyson. They used to meet for lunch every Tuesday at Cagney's Restaurant in Charleston, WV. Treasurer Hall would attend occasionally.

The only thing we knew<sup>W</sup> had at State Headquarters was access to the internet and e-mail. Ms. White, myself and another volunteer had set up that account with newwave, a local internet provider. We read about this homepage in the first Spring issue of the State Republican Executive Committee's newsletter. Mark Coyle was in charge of the newsletter, at Chairman Tyson's request. Director Betty White called Mark Coyle or Bob Gould and requested information on the homepage website. What Ms. White received was illegible. The copy was too faint to read. I saw it with another volunteer upon receipt at State Headquarters.

Political consultant Bob Gould's payments from State Republican Executive funds are listed as Cambridge Associates, and political consultant Mark Coyle's fees are listed under his name on FEC reports.

These two political consultants had unnecessarily tripled the amount of work for the only paid, full time employee at State Headquarters. Scott Francis, FEC Document Analyst, will have records of a Governor's Birthday Party Fundraiser, where Bob Gould of Cambridge Associates was in charge. Their invitations for that fundraiser did not include the usual donor information card or sheet. The copies of the checks from that particular fundraiser were sent to headquarters belatedly, but just in time to file reports. A lot of the

donor names no one recognized. I called several people to ask for their occupations. Ms. White finally sent out letters requesting occupation etc., information to show a good faith effort.

About July 1998, with a similar title to the party's Governor's FUn draiser checking account, One Valley Bank papers for a savings account were forwarded to State Headquarters. This new savings account from an old fundraiser contained the normal signature lines for the treasurer, Kent Hall, and assistant treasurer, Denise Gould. Bob Gould, Denise Gould's husband had been added as an assistant treasurer. Bob Gould has no elected position in the party structure. The address for this new party savings account was not State Headquarters. The phone number listed on the bank papers was not WV State Republican Executive Committee's.

Sincerely,

*Sally Anne Kay*

Sally Anne Kay

Subscribed and sworn to before me on this 28<sup>TH</sup> day of JANUARY, 1999.

*Dwaine P. Siders, Notary Public*